

Golf Committee Meeting
August 12, 2015

Present: Greg Ferris, At-Large, Dr. Michael Williams, District 1, Blaine Knott, District II, Cindy Renard, District III, Leon Lungwitz, District IV, Richard Schodorf, District V, David Buschschulte, Keith Gunter, Shana Appelhanz, Tom Monahan, Mike Solomon, Troy Houtman, Troy Hendricks, Michelle Haun

Absent: Patty Vizzini, President, Chair, Debbie Burch, District VI

Meeting was called to order at 4:06pm.

Approval of Minutes from 6/30/2015

Knott made a motion to approve the minutes.

Schodorf second.

Approved as is.

Gallus Golf App – Demo

Hendricks stated that Gallus Golf has an app that interfaces with CPS. It has GPS and can track pace of play, allow golfers to order food and beverages, book tee times and online scoring and we can do push messaging. The total cost is \$15k.

Knott asked if the app is free.

Hendricks stated yes.

Presented demo.

Williams asked if the golf pros have to have a certain type of phone.

Jason with Gallus responded no, just an android/iphone with web access.

Appelhanz described the push notifications.

Jason with Gallus stated that messaging is in real-time.

Hendricks stated that we are looking into this app as part of next year's marketing budget.

Houtman stated that they talked a lot about sponsorships and advertising and asked if we have a plan.

Hamm responded that we do.

Schodorf stated that he loves the push notifications for filling tee times.

Hendricks stated that we will be the only ones in the area with an app, at this time.

Hamm stated that we will have a pre-launch this fall and will do the official launch in February/March.

Ferris stated that the tournament manager will be a good tool.

Hendricks stated that it also has GPS and hole maps which will be great. The app does not continuously run on your phone either. It uses the online scorecard to show golfers' location.

Marketing

Hamm stated that marketing for this year is almost done. We are still running some radio. We will start advertising for the app, on TV this October. Google analytics is tracking our online booking and website data, it will also be able to track the app. She introduced Mark from Kopp Media.

Mark stated that Google Analytics tracks usage on the website based on user IP addresses. They put Google Analytics on golfwichita.com in March. Noticed a trend on the website, during peak season Monday, Tuesday and Wednesday were the busy days and by the end of summer Wednesday, Thursday and Friday were busier. The report will also show age range and gender. Auburn Hills had the most traffic. This year's information is benchmark data to give us something to compare next year to. More are repeat visitors than new users. Visitors are spending a lot of time on the home page. Might be a good place to add banner ads. The golf page is also set up at Visit Wichita. A lot are going back to the home page from other pages on the site. We are still trying to figure out why.

Ferris asked if you still have to enter a credit card on the site.

Appelhanz responded no.

Hendricks stated that feature was removed because the system was saving the numbers.

Rounds/Expenditures

Hendricks stated that there were 21.37 inches of rain in 16 days. Rounds are down 14%. There were 44 days of rain in May, June and July. Rounds were still up 1% over 2014. Auburn Hills gets hit the hardest by all the rain, they are down 7%.

Report to the City Manager

Hendricks stated that we have been working on our business plan evaluation since March. On page 46, there are discussion points that the committee needs to look at. Also need the committee to review the rate increase charts. We are looking at doing rate increases on green fees and season passes gradually over the next seven years. Originally, the payment for construction of Auburn Hills included the formation of a TIF (tax increment finance) district to pay for \$2 million of the \$4.7 million dollar cost. The TIF district at Auburn Hills was never formally established. He asked if we want to ask council for the tax money.

Ferris stated that when Auburn Hills was built there was a promise to pay \$2million into the general fund.

Hendricks stated that the final cost ended up being nearly \$12 million and the Golf Division has already paid \$5.9 million. Other ways to pay for some of our expenses include general obligation bonds, storm water project at MacDonald, modifications to LWC or possibly the closing of a course.

Schodorf stated that fee increases will eventually hit a point where we will start losing money.

Ferris stated that we should increase the green fee, not the season pass price.

Hendricks stated that gradual increases are easier to pass along.

Ferris stated that season pass increases won't make as much revenue as fee increases.

Schodorf asked if the golf system would be profitable without the debt service.

Hendricks stated yes, but we can't afford to purchase new equipment.

Ferris asked how much money we need on an annual basis and recommended asking budget for a proforma that is not based on the increases. Fees should be raised at Tex, not at Auburn Hills. Looking at all the rounds, Sim has lost over 20k rounds.

Schodorf stated that we need alternatives. Looking at the debt, we need to make a list of options.

Hendricks stated that salaries for full-time employees is \$412k. There is no flexibility in salary.

Houtman stated that we need to let people know what our competitors are charging.

Hendricks stated that we will start offering a players card and moving the twilight special to a later time. The card will help us remove discounts and improve loyalty.

Ferris asked how much money we need to run the courses over the next five years. He asked how much money we need if debt service is removed.

Schodorf asked if we need an executive course.

Renard stated that Clapp is another situation and has already been settled.

Lungwitz stated that Clapp is the wrong course to look at since Auburn Hills costs more.

Ferris stated that Auburn Hills has no value to anyone, the corner of Clapp was worth more money than selling all of Auburn Hills.

Lungwitz stated that we were only listening to the neighbors of Clapp.

Ferris stated that Auburn Hills was built because we needed another golf course.

Hendricks stated that council can vote to forgive the debt also.

Knott asked if that would be in the old minutes.

Hendricks stated that the money would come out of the general fund.

Ferris asked when the debt service will pay off and how much we are paying.

Hendricks stated \$300k per year through 2035.

Ferris stated that we should approach the City for \$2 million.

Houtman stated that we need to get the numbers, annual operating cost, debt service payments and then make a business plan.

Hendricks stated that we want to have a combined meeting with the Park Board.

Ferris stated that we need to get the numbers and meet first, then meet with the Park Board.

Hendricks stated that we will email the finalized information to everyone.

Houtman stated that this will delay the presentation to council, but it is not a problem.

Open Discussion

No additional discussion

Schedule Next Meeting

September 15th 4pm at City Hall.